

INDUSTRY CIRCULAR

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE
ALCOHOL AND TOBACCO TAX DIVISION



Industry Circular No. 59-15 (Nos. 59-10 through
59-13 reserved)

March 31, 1959

WITHDRAWAL PERMITS ACCEPTABLE ON AND AFTER JULY 1, 1959

Proprietors of industrial alcohol plants,
bonded warehouses, and denaturing
plants, dealers in specially dena-
tured alcohol, and others concerned:

Why is this subject raised at this time? Because section 5271, I.R.C., as amended by Public Law 85-859, provides that no person shall procure spirits free of tax or specially denatured spirits on and after July 1, 1959, until he has filed an application to do so. Time does not permit the processing of these applications and the issuance of new withdrawal permits between the time the applications are received and July 1, 1959.

Why are you interested in this subject? Because on and after July 1, 1959, spirits free of tax and specially denatured spirits will be withdrawn from your plants or premises qualified to sell such by persons holding permits to procure such spirits and you must know what withdrawal permits to accept as valid.

What withdrawal permits should you consider valid on and after July 1, 1959? Proposed regulations to be issued provide that where a person holds a permit as a user or dealer and a valid withdrawal permit on June 30, 1959, and files prior to July 1, 1959, the required applications for the continuance of such activities on and after July 1, 1959, he may continue to withdraw tax-free or specially denatured spirits under the withdrawal permit in effect on June 30, 1959. Accordingly, unless you are notified by the assistant regional commissioner (alcohol and tobacco tax) that withdrawals may not be made under the provisions of a particular withdrawal permit because the person to whom the permit was issued has not filed the necessary applications, you may on and after July 1, 1959, ship tax-free or specially denatured spirits under the provisions of any withdrawal permit in effect on June 30, 1959, that names you as vendor until you are further notified. The same rule will hold true for any valid permit to procure tax-free or specially denatured alcohol held by an agency of the United States Government on June 30, 1959, unless you are notified by the Director, Alcohol and Tobacco Tax Division, that withdrawals may not be made under a particular permit.

After July 1, 1959, you may receive withdrawal permits bearing revision date of April 1959 and having a format somewhat different from those in use on June 30, 1959. If this permit is properly authenticated by the signature of

the proper assistant regional commissioner, shipments may also be made under such withdrawal permits. Storekeeper-gaugers assigned to your plants may be consulted if you have any questions regarding the revised permits.

Inquiries. Inquiries regarding this industry circular not answered by consultation with storekeeper-gaugers should refer to its number and be addressed to the office of your assistant regional commissioner (alcohol and tobacco tax).

Dwight E. Avis

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Director, Alcohol and Tobacco Tax Division